

Corporate Social Responsibility

Formerica Optoelectronics "Corporate Social Responsibility Report"

Since 2018, the Corporate Social Responsibility (CSR) Reports of Formerica Optoelectronics have followed the Global Reporting Initiative (GRI) guidelines, showing how Formerica Optoelectronics exposing the issues of corporate governance, environmental protection, and social participation. As a means to convey to stakeholders the concept, determination and achievements of inheriting the sustainable management of optoelectronics.

Scope

The Report this year discloses the actions and performance of Formerica Optoelectronics in terms of governance, environment, and society during 2019-2020 (7/1/19-6/31/20).

Significant achievements and sustainable business performance of Formerica Optoelectronics from 2019-2020

- Successfully passed the ISO 9001: 2015/TL 9000 Quality System Certification.
- Successfully passed the ISO 14001: 2015 Environmental Management System certification for annual renewal.
- Introduced the Talent Quality-management System (TTQS), which passed the audit with a certificate in October 2020.

Environmentally Friendly Management

Green Factory

Formerica Optoelectronics is committed to the balance of economy, environment, and society and pursues business growth while also considering environmental protection.

Facing issues of global climate change, reducing water resources, and environmental pollution, we are devoted to manufacturing green products. Considering product life-cycle, examining the social environment influence of raw material/manufacturing process/service/recycling, and meeting the requirement of RoHS and Reach. Formulate various strategies and goals, and launch environmentally friendly products to create green competitiveness.



Energy and Greenhouse Gas (GHG) Management

In a circular economy, the efficiency of energy and resource use should be optimized. Improving energy resource efficiency is optimal without affecting product performance and service status.

In addition to designing and manufacturing products for low energy consumption, Formerica Optoelectronics also continues to promote energy conservation and carbon reduction activities to reduce energy waste. For example, set the air conditioner no lower than 24 degrees to avoid the greenhouse effect.

Green Product

Formerica Optoelectronics is committed to balancing the economy, environment, and society. The product life cycle has been considered in the product development and design stage. Green design, green procurement, and resource recycling are used to reduce product recycling and processing costs and increase waste. The recycling value of electronic products promotes the effect of the circular economy.

In addition, we cooperate with qualified recyclers to ensure that industrial waste is properly disposed of (disposed of 6.5 kg of waste liquor in November 2019). And use the Environmental Protection Administration's industrial waste declaration system (IWR & MS) to track the waste disposal process to avoid improper disposal and environmental pollution.

Sustainable Economic Growth

Corporate Governance: Labor Rights

"People" are the basis of business operations. Formerica Optoelectronics provides employees with a fair and healthy workplace that encourages outstanding work achievements, a generous salary package, welfare package, and stock options so outstanding employees can share the dividends of the Company's growth.

Pursue work efficiency, do not pursue/avoid unnecessary overtime, and let employees take care of family and health while focusing on work.

Formerica Optoelectronics complies with laws and regulations and provides employees with salaries and holidays that meet or exceed legal requirements. Emphasis on gender equality, no discrimination or any unfair treatment because of gender.

- In 2020, the Company signed a contract with the taxi company. Providing contracted taxis for colleagues on the middle and night shifts.
- In 2020, completed "Work Rules" submission
- In 2020, completed the Welfare Committee declaration submission.
- In 2020, in cooperation with the government's letter, the Welfare Committee was established and approved online.

Formerica Optoelectronics held the Welfare Committee's election every year and the Company pays all funds for the events raised by Welfare Committee.

Corporate Governance: Talent Cultivation and Recruitment

Formerica optoelectronics follows open recruitment principles, fair selection and merit-based recruitment. The information, such as vacancies, conditions, and procedures are transparent and open.

All candidates must pass the examination or interview, then select the qualified candidates base on the results to ensure those who meet the job requirements and expectations are recruited.

Formerica Optoelectronics believes that every employee can give full play to his strengths and provides employee training courses through education and training. In addition, for key company employees, we provide Person Development Program (PDP) to understand the strengths and weaknesses of the employees and provide relevant training for the employees' shortcomings to improve. Allow employees to grow as the Company grows.

In order to make the Company's education and training, the Company introduced and evaluated TTQS in 2020 and passed the audit with a certificate.

Corporate Governance: Workplace Health and Safety

Providing a safe and friendly workplace is the Company's commitment and basic employee guarantee. Formerica Optoelectronics establishes a good working environment to protect employees' workplace safety and physical and mental health.

Formerica Optoelectronics usually conducts relevant course training for employees, and simulates the occurrence of emergency disasters through actual drills, trains employees' evacuation and response capabilities, and makes sufficient knowledge and preparations in normal times to reduce the risk of personnel injuries.

Formerica Optoelectronics employees have the right to free annual health



checkups. The Company also cooperates with hospitals to analyze, consult, assist, and follow up on the results of abnormal health checkups for employees.

Innovation Management

In order to stimulate the energy of colleagues to innovate and implement, the Company hired external lecturers in 2018, introduced the theory and concept of "knowledge management", combined with the proposal system, held "comprehensively improving work quality and implementing experience sharing", so that employees can share with other colleague success experience or operational knowledge.

- In 2019, the ERP upgrade and the introduction of the electronic signature system has been carried out, hoping to increase the efficiency of employees.

Customer Service

Formerica Optoelectronics attaches great importance to customer service satisfaction, aiming to improve customer service. Also, we passed the ISO9001:2015 quality management system certification in 2017, and the service process is an important indicator.

Formerica Optoelectronics asks customers to return customer satisfaction survey questionnaires every year. For various processes that affect customer satisfaction, PDCA continuous improvement is carried out. Through continuous process improvement, customer service satisfaction can naturally reach the standard or be within the monitoring and control, thereby improving customer satisfaction.

Risk and Crisis Management

In view of the improvement of the Company's sustainable operation and the implementation of the risk management that needs to be paid attention to by the Company's operations, Formerica Optoelectronics has established a sustainable risk management team to strengthen the Company's face systematically through risk identification, risk assessment, risk treatment, monitoring mechanisms, risk response strategies, and management operations.

Social Prosperity

Social Welfare

Formerica Optoelectronics believes businesses should give back to society



when they take resources from the community, operate, and make profits. We participate in charitable activities organized by Tai-Yuen Hi-Tech Industrial Park, such as trick-or-treating on Halloween, blood donation, and other activities. In the future, we will cooperate with the Welfare Committee to recruit volunteers.

Exclusive E-Mail box for contacting relevant departments of corporate social responsibility

CSR E-Mailbox: csr@formericaoe.com

Human Right E-Mailbox: hr-grievance@formericaoe.com

Supplier report special E-Mailbox: supplier@formericaoe.com
